

## MINUTES

### MONTANA HOUSE OF REPRESENTATIVES 62nd LEGISLATURE - REGULAR SESSION

#### COMMITTEE ON TAXATION

**Call to Order:** Chair Mark Blasdel, on February 18, 2011 at 9:00 A.M., in Room 152  
Capitol

#### ROLL CALL

**Members Present:**

Rep. Mark Blasdel, Chairman (R)  
Rep. Dick Barrett, Vice Chairman (D)  
Rep. Mike Miller, Vice Chairman (R)  
Rep. Kelly Flynn (R)  
Rep. Alan Hale (R)  
Rep. Brian Hoven (R)  
Rep. Austin Knudsen (R)  
Rep. Steve Lavin (R)  
Rep. Sue Malek (D)  
Rep. Mary McNally (D)  
Rep. Jerry O'Neil (R)  
Rep. Mike Phillips (D)  
Rep. Wayne Stahl (R)  
Rep. Janna Taylor (R)  
Rep. Max Yates (R)

**Members Excused:** Rep. Edith (Edie) McClafferty (D)  
Rep. Lee Randall (R)

**Members Absent:** Rep. Steve Fitzpatrick (R)  
Rep. Kathleen Williams (D)

**Staff Present:** Lisa Adams, Committee Secretary  
Jeff Martin, Legislative Branch

**Audio Committees:** These minutes are in outline form only. They provide a list of participants and a record of official action taken by the committee. The link to the audio recording of the meeting is available on the Legislative Branch website.

**Committee Business Summary:**

Hearing & Date Posted: HB 463, 2/16/2011; SB 11, 2/16/2011; SB 12, 2/16/2011

Executive Action: HB 168; HB 333; HB 357; HB 358; HB 460

**HEARING ON SB 11**

**Opening Statement by Sponsor:**

00:01:15 Sen. Ron Erickson (D), SD 47, opened the hearing on SB 11, Reduce withholding tax rate for lottery winnings.

00:01:15 Rep. Stahl left.

**Proponents' Testimony:** None

**Opponents' Testimony:** None

**Informational Testimony:**

00:03:20 John Tarr, Montana Lottery

**Questions from Committee Members and Responses:** None

**Closing by Sponsor:**

00:03:43 Sen. Erickson

**HEARING ON SB 12**

**Opening Statement by Sponsor:**

00:04:15 Sen. Ron Erickson (D), SD 47, opened the hearing on SB 12, Repeal obsolete business equipment property tax reimbursement.

**Proponents' Testimony:**

00:05:27 Sheryl Wood, Montana Association of Counties (MACo)

**Opponents' Testimony:** None

**Informational Testimony:** None

**Questions from Committee Members and Responses:**

00:06:05 Rep. Barrett  
00:06:10 Sen. Erickson  
00:06:18 Rep. Barrett  
00:06:32 Sen. Erickson  
00:06:52 Rep. O'Neil  
00:07:05 Sen. Erickson

**Closing by Sponsor:**

00:07:13 Sen. Erickson

**HEARING ON HB 463**

**Opening Statement by Sponsor:**

00:07:47 Rep. Scott Reichner (R), HD 9, opened the hearing on HB 463, Revise property tax reappraisal process by specifying burden of proof on value.

00:13:07 Rep. Blasdel

00:13:12 Rep. Barrett

**Proponents' Testimony:**

00:13:18 Joe Roberts, Montana Association of Realtors (MAR)

00:16:42 Rep. O'Neil left.

00:17:03 Debbie Biolo, self

00:17:25 Rep. O'Neil arrived.

00:18:10 Rep. Hale left.

00:19:51 Rep. Williams arrived.

00:22:04 Rep. Hale arrived.

00:25:09 Carol Tibbles, Realtor

00:26:29 Ginny Reed, self

00:29:02 Caroline Solomon, Big Fork

00:29:44 Alice Blasdel, Business Owner, Sommers

**Opponents' Testimony:**

00:30:58 Dan Bucks, Director, Department of Revenue (DOR)

00:37:49 Cynthia Monteau Moore, Administrator Property Assessment Division, DOR

00:38:32 Rep. Stahl arrived.

00:39:14 Rep. Stahl left.

00:42:08 Rep. Stahl arrived.

00:42:31 Rep. Phillips left.

00:43:12 C.A. Daw, Chief Legal, DOR

00:45:51 Rep. Phillips arrived.

00:49:53 Rep. McNally left.

**Informational Testimony:** None

**Questions from Committee Members and Responses:**

00:51:00 Rep. Barrett

00:51:13 Ms. Monteau Moore, DOR

00:51:22 Rep. Barrett

00:51:48 Ms. Monteau Moore

00:52:08 Rep. Barrett

00:52:12 Ms. Monteau Moore

00:52:17 Rep. Barrett

00:52:21 Ms. Monteau Moore

00:52:28 Rep. Barrett

00:52:41 Ms. Monteau Moore

00:52:57 Rep. Barrett

00:54:23 Rep. Reichner

00:54:41 Rep. Stahl left.

00:57:34 Rep. McNally arrived.

00:59:26 Rep. Phillips

00:59:52 Rep. Reichner

01:00:01 Rep. Phillips

01:01:01 Rep. Reichner

01:02:06 Rep. Knudsen left.

01:02:12 Rep. Taylor

01:02:33 Mr. Daw, DOR  
01:02:54 Rep. Taylor  
01:03:05 Mr. Daw  
01:03:45 Rep. Randall arrived.  
01:04:41 Rep. Taylor  
01:06:32 Ms. Monteau Moore  
01:07:26 Rep. Malek  
01:08:09 Ms. Monteau Moore  
01:08:59 Rep. Malek  
01:09:16 Ms. Monteau Moore  
01:09:29 Rep. Malek  
01:09:35 Ms. Monteau Moore  
01:09:41 Rep. Malek  
01:09:53 Ms. Monteau Moore  
01:10:04 Rep. Malek  
01:10:09 Ms. Monteau Moore  
01:10:17 Rep. Malek  
01:10:53 Ms. Monteau Moore  
01:11:20 Rep. Williams  
01:11:25 Rep. Knudsen arrived.  
01:11:44 Mr. Daw  
01:13:50 Rep. O'Neil  
01:14:47 Dir. Bucks, DOR  
01:15:32 Rep. Stahl arrived.  
01:17:25 Rep. O'Neil  
01:17:38 Dir. Bucks  
01:19:03 Rep. O'Neil  
01:19:37 Rep. Reichner  
01:22:40 Rep. Barrett  
01:24:30 Rep. Phillips  
01:25:06 Ms. Monteau Moore  
01:25:08 Rep. Phillips  
01:25:18 Ms. Monteau Moore  
01:25:22 Rep. Phillips  
01:25:48 Rep. Reichner  
01:26:05 Rep. Malek left.  
01:26:28 Rep. Knudsen  
01:28:20 Dir. Bucks  
01:29:20 Rep. Stahl left.  
01:30:56 Rep. Knudsen  
01:31:09 Dir. Bucks  
01:31:44 Rep. Hoven  
01:32:08 Dir. Bucks  
01:33:04 Rep. Hale  
01:33:24 Dir. Bucks  
01:33:38 Rep. Hale  
01:33:48 Rep. Barrett  
01:35:03 Rep. Malek returned.  
01:35:42 Mr. Roberts, MAR  
01:36:52 Rep. Barrett

01:37:12 Rep. Stahl arrived.  
01:37:13 Mr. Roberts  
01:38:00 Rep. Barrett  
01:38:33 Vice Chairman Miller  
01:38:50 Ms. Monteau Moore  
01:40:07 Vice Chairman Miller  
01:40:14 Ms. Monteau Moore  
01:40:20 Rep. Stahl left.  
01:40:39 Vice Chairman Miller  
01:40:57 Rep. Phillips  
01:40:57 Rep. McNally left.  
01:41:01 Ms. Monteau Moore  
01:41:10 Vice Chairman Miller  
01:41:32 Rep. Phillips left.  
01:41:34 Dir. Bucks  
01:42:38 Rep. McNally arrived.  
01:43:33 Rep. Lavin  
01:43:37 Rep. Phillips arrived.  
01:43:57 Ms. Monteau Moore  
01:44:42 Rep. Lavin  
01:44:51 Ms. Monteau Moore  
01:45:04 Rep. Lavin  
01:45:19 Ms. Monteau Moore  
01:45:32 Chairman Blasdel  
01:46:14 Ms. Monteau Moore  
01:46:39 Rep. Barrett  
01:46:53 Ms. Monteau Moore  
01:47:10 Rep. Yates  
01:47:28 Ms. Monteau Moore

**Closing by Sponsor:**

01:47:42 Rep. Reichner  
  
01:53:00 Recessed.  
02:06:42 Resumed with Rep. Randall and Rep. McClafferty absent.

**EXECUTIVE ACTION ON HB 168**

02:07:31 **Motion:** Rep. Miller moved that **HB 168 DO PASS.**

**Discussion:**

02:07:59 Rep. Williams  
02:08:51 Rep. McNally arrived.  
02:09:12 Vice Chairman Miller  
02:09:45 Chairman Blasdel

02:11:26 **Vote:** Motion failed 7-12 by roll call vote with Rep. Knudsen, Rep. Lavin, Rep. Miller, Rep. Randall, Rep. Stahl, Rep. Taylor and Rep. Yates voting aye.

02:11:27 **Motion/Vote:** Rep. Flynn moved that **HB 168 BE TABLED AND THE VOTE REVERSED**. Motion carried unanimously by voice vote, present and voting.

**EXECUTIVE ACTION ON HB 333**

02:11:37 **Motion:** Rep. Miller moved that **HB 333 DO PASS**.

02:12:22 Mr. Martin

02:12:28 Chairman Blasdel

02:12:45 **Motion:** Rep. Miller moved that **HB 333 BE AMENDED**.  
**EXHIBIT**(tah40a01)

02:12:58 Mr. Martin

02:13:37 Rep. Barrett

02:14:04 **Vote:** Motion carried unanimously by voice vote. Rep. McClafferty and Rep. Randall voted by proxy.

02:14:48 **Motion:** Rep. Barrett moved that **HB 333 DO PASS AS AMENDED**.

02:14:51 **Substitute Motion:** Rep. Barrett made a substitute motion that **HB 333 BE AMENDED**.

**EXHIBIT**(tah40a02)

**Discussion:**

02:15:00 Mr. Martin

02:16:43 **Substitute Motion:** Rep. Knudsen made a substitute motion that **THE AMENDMENT (EXHIBIT 2) BE AMENDED TO STRIKE 20% REPLACE IT WITH 5%**.

**Discussion:**

02:17:17 Rep. Phillips

02:17:21 Chairman Blasdel

02:17:51 Rep. Phillips

02:18:01 Rep. Knudsen

02:18:20 Rep. Barrett

02:18:26 Rep. Knudsen

02:18:42 Rep. Phillips

02:18:54 Rep. Barrett

02:19:40 Chairman Blasdel

02:19:59 Mr. Martin

02:20:16 Rep. Stahl

02:21:12 Rep. Phillips

02:21:59 Rep. Barrett

02:23:46 Rep. Taylor

02:24:59 **Vote:** Substitute Motion carried 13-6 by roll call vote with Rep. Barrett, Rep. Malek, Rep. McClafferty, Rep. McNally, Rep. Phillips and Rep. Williams voting no. Rep. McClafferty and Rep. Randall voted by proxy.

02:27:00 Rep. Barrett asked for clarification of the previous vote, stated he was opposed to the substitute motion and requested a vote on the amendment as amended.

02:28:08 **Vote:** Motion to the amendment (Exhibit 2) as amended carried unanimously by voice vote. Rep. McClafferty and Rep. Randall voted by proxy.

02:28:57 **Motion:** Rep. Miller moved that **HB 333 DO PASS AS AMENDED.**

**Discussion:**

02:29:07 Rep. Barrett

02:29:10 **Vote:** Motion carried 13-6 by roll call vote with Rep. Barrett, Rep. Malek, Rep. McClafferty, Rep. McNally, Rep. Phillips and Rep. Williams voting no. Rep. McClafferty and Rep. Randall voted by proxy.

**EXECUTIVE ACTION ON HB 357**

02:30:30 **Motion:** Rep. Miller moved that **HB 357 DO PASS.**

**Discussion:**

02:31:31 Rep. Hoven

02:32:03 Rep. Barrett

02:34:03 **Vote:** Motion carried 11-7 by roll call vote with Rep. Barrett, Rep. Fitzpatrick, Rep. Hoven, Rep. Malek, Rep. McNally, Rep. Phillips and Rep. Williams voting no. Rep. McClafferty was excused. Rep. Randall voted by proxy.

**EXECUTIVE ACTION ON HB 358**

02:35:43 **Motion/Vote:** Rep. Miller moved that **HB 358 DO PASS.** Motion carried 12-6 by roll call vote with Rep. Barrett, Rep. Hale, Rep. Malek, Rep. McNally, Rep. Phillips and Rep. Williams voting no. Rep. Randall voted by proxy. Rep. McClafferty was excused.

**EXECUTIVE ACTION ON HB 460**

02:37:04 **Motion:** Rep. Miller moved that **HB 460 DO PASS.**

02:37:43 **Motion:** Rep. Fitzpatrick moved that **HB 460 BE AMENDED.**

**EXHIBIT**(tah40a03)

**Discussion:**

02:38:31 Rep. Barrett  
02:38:40 Rep. Fitzpatrick  
02:38:46 Mr. Martin  
02:40:32 Rep. Barrett  
02:40:44 Rep. Fitzpatrick  
02:40:48 Chairman Blasdel

02:41:05 **Vote:** Motion carried unanimously by voice vote. Rep. McClafferty and Rep. Randall voted by proxy.

02:41:20 **Motion/Vote:** Rep. Barrett moved that **HB 460 DO PASS AS AMENDED**. Motion carried unanimously by voice vote. Rep. McClafferty and Rep. Randall voted by proxy.

**Discussion:**

02:44:00 Chairman  
02:44:04 Rep. Phillips  
02:44:29 Chairman Blasdel  
02:45:07 Rep. Phillips  
02:45:21 Chairman Blasdel



**ADJOURNMENT**

02:45:31      Adjournment: 11:51am

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Lisa Adams, Secretary

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Additional Documents:

**EXHIBIT**([tah40aad.pdf](#))